

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

IN RE: MICHAEL J. POLLACK AND ELAINE G. POLLACK	: : :	CHAPTER 7
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COVENANT BANK Creditor/Movant	: :	: : No. 17-18146-amc : CHAPTER 7
vs.	:	:
MICHAEL J. POLLACK AND ELAINE G. POLLACK Debtors	: : : :	: HEARING SCHEDULED FOR : JANUARY 31, 2018 AT 11:00 A.M. : COURTROOM 5
and	:	: UNITED STATES : BANKRUPTCY COURT : 900 MARKET STREET
GARY F. SEITZ Trustee	: :	: SUITE 400 : PHILADELPHIA, PA 19107
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**NOTICE OF MOTION, RESPONSE DEADLINE
AND HEARING DATE**

Covenant Bank has filed a Motion for Relief from the Automatic Stay under 11 U.S.C. §362(d) with the Court to terminate the automatic stay as to Covenant Bank with respect to the Debtors' real property located at 2089 N. Line Street, Lansdale, PA 19446 as permitted by the Mortgage on the above referenced real property, other applicable laws with respect to the Debtors' real property and to grant such other further relief as this Court may deem just and proper.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult an attorney.)

1. If you do not want the court to grant the relief sought in the motion or if you want the court to consider your views on the motion, then by January 29, 2018 you or your attorney must do all of the following:
 - a. file an answer explaining your position at:

Clerk of the U.S. Bankruptcy Court
UNITED STATES BANKRUPTCY COURT
900 Market Street, Suite 400
Philadelphia, PA 19107

If you mail your answer to the bankruptcy clerk's office for filing, you must mail it early enough so that it will be received on or before the date stated above, and

- b. mail a copy to the Movant's attorney:

David Banks, Esquire
Banks & Banks
3038 Church Rd
Lafayette Hill, PA 19444
610-940-3900 (phone)
610-940-0843 (fax)

AND

- c. mail a copy to the Trustee:

Gary F. Seitz
Gellert Scali Busenkell & Brown LLC
The Curtis Center
601 Walnut Street
Suite 750 West
Philadelphia, PA 19106

2. If you or your attorney do not take the steps described in paragraphs 1(a) and (b) above and attend the hearing, the court may enter an order granting the relief requested in the motion.
3. A hearing on the motion is scheduled to be held before the Hon. Judge Ashely M. Chan on January 31, 2018 at 11:00 A.M. in Courtroom 5 at the United States Bankruptcy Court, 900 Market Street, Suite 400, Philadelphia, PA 19107.
4. If a copy of the motion is not enclosed, a copy of the motion will be provided to you if you request a copy from the attorney named in paragraph 1(b).
5. You may contact the Bankruptcy Clerk's office at (215) 408-2830 to find out whether the hearing has been canceled because no one filed an answer.

David Banks /s/
By: _____
David Banks, Esquire
Attorney for Movant

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AND	:	JANUARY 31, 2018 AT 11:00 A.M.
ELAINE G. POLLACK	:	COURTROOM 5
Debtors	:	
	:	UNITED STATES
and	:	BANKRUPTCY COURT
	:	900 MARKET STREET
GARY F. SEITZ	:	SUITE 400
Trustee	:	PHILADELPHIA, PA 19107

ORDER

AND NOW, this _____ day of _____, 2018 upon consideration of the Motion filed by the Movant/Creditor, Covenant Bank, for Relief from the Automatic Stay, and other Relief, it is ORDERED AND DECREED that:

The Automatic Stay of all proceedings, as provided under Section 362 of the Bankruptcy Reform Act of 1979 (as amended (The Code), 11 U.S.C. § 362, is modified as to allow Movant to proceed with a foreclosure action and Sheriff's Sale against the Debtors' real property located at 2089 N. Line Street, Lansdale, PA 19446.

The purchaser of said property at Sheriff's Sale (or purchaser's assignee) may take any legal action for enforcement of its right to possession of said premises.

- a) The relief granted by this ORDER shall survive the conversion of this bankruptcy case to a case under any other Chapter of the Bankruptcy Code.
- b) The relief granted by this ORDER shall be effective immediately and shall not be subject to the ten day period set forth in Bankruptcy Rule 4001(a)(3).

FOR THE COURT:

Ashely M. Chan
United States Bankruptcy
Judge

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Debtors	: COURTROOM 5	
and	: UNITED STATES	
GARY F. SEITZ	: BANKRUPTCY COURT	
Trustee	: 900 MARKET STREET : SUITE 400 : PHILADELPHIA, PA 19107	

HEARING DATE: **January 31, 2018**

TIME OF HEARING: 11:00 A.M.

LOCATION OF HEARING: Courtroom 5
United States Bankruptcy Court
900 Market Street, Suite 400
Philadelphia, PA 19107

**MOTION OF COVENANT BANK FOR RELIEF
FROM THE AUTOMATIC STAY PURSUANT TO 11 U.S.C. §362(d)**

Movant, Covenant Bank by and through its attorneys, Banks & Banks, hereby moves this Honorable Court for an Order pursuant to 11 U.S.C. §362(d) granting Covenant Bank relief from the automatic stay and in support thereof avers as follows:

1.) Movant, Covenant Bank (“Movant” or “Covenant Bank”), is a state chartered bank that maintains an address at 182 N. Main Street, Doylestown, Pa 18901.

2.) On or about December 4, 2017, the Debtors filed a voluntary petition under Chapter 7 of Title 11 of the United States Code.

3.) On or about September 14, 2010, Covenant Bank granted to Enviropics, Inc. (“Enviropics”) a line of credit (“Line of Credit”) in the principal amount of \$600,000.00. A true and correct copy of the September 14, 2010 Promissory Note (“Note”) signed by Enviropics in favor of Covenant Bank evidencing the Line of Credit is attached hereto as Exhibit “A.”

4.) At all relevant times, Enviropics was owned and operated by Debtors.

5.) The Note provided for monthly interest payments based on the outstanding principal balance commencing November 1, 2010 and continuing on the first day of each consecutive month thereafter.

6.) The Note further provided that the principal balance was due in full upon demand by Covenant Bank.

7.) As security for payment of the Note, on or about September 14, 2010, Debtors executed and delivered Guaranty Agreements to Covenant Bank. True and correct copies of the Guaranty Agreements executed by Michael Pollack (“Michael Guaranty”) and Elaine Pollack (“Elaine Guaranty”) are attached hereto as Exhibits “B” and “C.”

8.) As collateral for the Elaine Guaranty and Michael Guaranty, the Defendants executed and delivered to Plaintiff an Open-End Commercial Mortgage for Residential Property (the “Mortgage”) dated September 14, 2010 and recorded on September 23, 2010 with the Montgomery County, Pennsylvania Recorder of Deeds in Mortgage Book 12914, pages 02972 to 02989. A true and correct copy of the Mortgage is attached hereto as Exhibit “D.”

9.) The Mortgage secures the following real property: 2089 N. Line Street, Lansdale, PA 19446 (the “Mortgaged Premises”). A true and correct copy of the legal description of the Mortgaged Premises is incorporated herein and attached hereto as Exhibit “E.”

10.) Debtors are in Default of the Note, Elaine Guaranty and Michael Guaranty for, among other reasons, failing to make the May 15, 2017 interest payment and all payments thereafter.

11.) On or about September 15, 2017, Covenant Bank demanded that the Note be immediately paid in full.

12.) In further default of the Note, Debtors have failed to pay off the balance owed on the Note.

13.) To date, Covenant Bank is owed in excess of \$544,051.49 with respect to the Note.

14.) On or about October 9, 2017, Covenant Bank served Debtors with Foreclosure Notices pursuant to Act 6/91.

15.) There is no equity in the Mortgaged premises.

16.) Covenant Bank is not adequately protected and therefore entitled to relief from the automatic stay for cause.

17.) The other Respondent is the Standing Trustee appointed in the present Chapter 7 proceeding.

WHEREFORE, Covenant Bank respectfully requests that this Court enter an Order modifying The Automatic Stay of all proceedings, as provided under Section 362 of the Bankruptcy Reform Act of 1979 (as amended (The Code), 11 U.S.C. § 362, and allow it to proceed with a foreclosure action and Sheriff's Sale against the Debtors' real property located at 2089 N. Line Street, Lansdale, PA 19446.

BY: /s/ David Banks
David Banks, Esquire
Attorney for Covenant Bank

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CERTIFICATE OF SERVICE

I, David Banks, Esquire, hereby certify that on the said date, I did mail a true and correct copy of Covenant Bank's Motion for Relief from Automatic Stay as well as the Notice of Motion, Response Deadline and Hearing Date by first class, postage paid, and regular mail to:

Daniel P. Mudrick
Mudrick & Zucker, P.C.
One West First Avenue
Suite 101
Conshohocken, PA 19428

Gary F. Seitz
Gellert Scali Busenkell &
Brown LLC
The Curtis Center
601 Walnut Street
Suite 750 West
Philadelphia, PA 19106

DATE: 01/09/2017

BY: /s/ David Banks
David Banks, Esquire
Attorney for Covenant Bank